

# Persistence of patterns of the past



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By Steven Friedman

For some, the story of the past two decades is one of great change. To others, it is about how two decades of democracy have changed nothing. In a sense, both are right.

Supporters of the first view will point out that, over the past two decades, opportunities have opened up for millions who were denied them by apartheid. We now have the black middle class which some apartheid strategists hoped to create but never did; most South Africans have the right to vote, to speak and be heard which they were denied. Opportunities which were once closed by racial laws have opened and millions have social grants which enable them not only to escape poverty but to participate in the economy. Those who make this argument are right.

Advocates of the second view will note that the essential economic patterns of the society remain unchanged: we are still a society of insiders and outsiders. Although not all the insiders are white now, just about all the outsiders are still black. This view is also right.

There is an academic term which helps us to describe this seemingly contradictory reality: the economic historian Douglass North's idea 'path dependence', which describes how, in societies which experience great change, the patterns of the past can survive. North believed that societies adopted routines, social connections and ways of seeing the world which were very difficult to change even if much else changed. That seems an accurate way to describe South Africa after two decades of democracy.

We can express the same idea in more simple terms by seeing the country as a society which, in 1994, was governed by an exclusive white club. Over the last two decades, a sizeable number of black members have been admitted and they enjoy most of the privileges of membership. But the club remains exclusive and so most citizens still find themselves on the outside. The story of two decades of democracy has not been the 'negotiated revolution' which some academics saw but the absorption of part of the black majority into the institutions which once served a minority.

The club's survival is not purely negative – it has ensured that many of the opportunities and advantages which apartheid restricted to whites are now available to many more. But it continues to limit the society's capacity to grow – economically, socially and culturally. The challenge, therefore, is not to destroy the patterns of the past. It is to retain those aspects which have enabled the country to progress but to ensure that all can enjoy them. Failure to do this will force us to 'muddle through', avoiding disaster but failing to reach our potential.

### A Place for Some: Inside the Club

At first glance, it may seem odd to see achievements since 1994 as a continuation of the old order. Apartheid was a system of racial

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domination which denied most citizens the most basic of rights. Whatever its weaknesses, the post-1994 order has allowed all adults a vote and has respected the formal freedoms of all its citizens. It has offered citizens who were once dominated because they were black access to resources and opportunities which they were denied. How can any of this be a continuation of the past?

The question seems unanswerable until we remember that apartheid was an order in which a racial minority dominated the majority. And this meant that members of the minority – whites – enjoyed something close to a functioning democracy and, for many years, very generous benefits from the state.

Whites could vote and form political parties – power changed hands at the ballot box in 1924 and 1948.

They enjoyed full economic rights, despite some ethnic patronage which advantaged Afrikaners, and, for much of the period after 1948, a generous whites-only welfare state. While repressive laws affected everyone in theory, in practice whites enjoyed a fair degree of freedom unless they actively supported the liberation movements (in which case they became, in the eyes of the system, almost black). The legal system may have been oppressive to black people but it operated well for most whites.

If we see apartheid in this light, we can see much of the freedoms of the past two decades as an extension to everyone of that which only the minority enjoyed – even the much-debated labour relations system of the democratic era is largely the system introduced for white workers in 1924 extended to all workers. (Labour relations specialists point out that the only new feature was the introduction of workplace forums, based on a similar system in Germany – they have hardly been used, presumably because both unions and employers prefer to tread the familiar path than branch out in new directions).

It is not hard to see why the majority's leadership wanted to seek inclusion in what already existed rather than to try to create something new. Besides the obvious reality that the old order had resources which the new one needed, apartheid worked very well for whites and it was only natural for the leadership of the black majority to aspire to what the minority had. If no-one had voted before 1994, black people may not have braved huge queues for days to vote – they insisted on casting their ballot because everyone was claiming what only some had until then had. More generally, political leadership sought to claim for everyone what whites alone had enjoyed. And so the country's racial dynamics ensured that those routines and ways of seeing which North noticed persisted into the new formally non-racial order.

This process was helped by the fact that much of what whites enjoyed had been developed not by the Afrikaner Nationalist government elected in 1948, but by British colonisation which, while it too refused to recognise black

people as equals, did maintain formal freedoms such as independence for the courts and the media. And so the leadership of the new democracy's attempt to ensure that what whites monopolised was extended to all could rely on restoring what had been available before 1948.

This pattern has ensured two decades in which institutions which ensure basic freedoms for all have faced no serious challenge - parliament, the courts, the media and the universities all enjoy those freedoms and powers British colonialism claimed to uphold.

But apartheid and colonisation were never meant to be for everyone. And, while it has been feasible to extend to everyone the formal rights which only whites once enjoyed, it has not been possible to ensure that most people enjoy whites' apartheid-era economic and social life. Trying to extend minority privilege to the majority has preserved many of the patterns which underpinned racial minority rule.

#### Insiders and Outsiders

The social and economic impact of trying to extend to all what apartheid offered to whites can be illustrated by an incident in the last years of apartheid which, in a sense, set the pattern for the period after 1994.

Alexandra township, in northern Johannesburg, had been one of the few areas where black people were allowed to own property. Since apartheid decreed that blacks could not own land in the 'white' cities, it was anathema to the system's planners and so 'Alex' was doomed to become the site of single-sex worker hostels. A residents' committee was formed to resist this - it used imaginative tactics to force an apartheid government which had already begun its retreat to abandon its plans and recognise the right of black people to continue to own property there.

The committee, eager to seal its victory, insisted that Alexandra become a 'garden suburb' modelled on neighbouring Sandton. Town planners told them that, because Alex was too small to accommodate most of its residents, this would displace thousands from their homes. They advised against trying to turn Alex into a replica of Sandton. The committee was

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offended - garden suburbs were good enough for whites, it noted, why were blacks not entitled to the same? And so the plan went ahead - thousands were indeed displaced, a decade of conflict began and it is debatable whether 'Alex' has fully recovered.

By insisting on a garden suburb, the residents' committee was demanding equal treatment for all. But because what it wanted had been designed only for a few, its understandable stand of principle caused exclusion and conflict. By accepting and aspiring to a privileged minority's standards, it kept exclusion alive in a new form.

Much the same could be said of the entire society since 1994. Many black people now enjoy access to that from which previous generations were excluded. But the economic pecking orders which existed before 1994 still lives. Income inequality has not changed dramatically - and it still bears a racial tinge: white incomes have increased fastest. Black South African investors own only a fraction of the available share capital in the top 100 listed companies, the professions remain largely white. Figures on poverty are contested, but it remains uncomfortably high.

Perhaps the most obvious economic symptom of our past is the widespread

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problem of 'unsecured lending' - which means, simply, that people borrow money they can't repay. There are two reasons for this, one related to inequality, the other to poverty. Both indicate the persistence of patterns of the past.

First, the exclusive club is open only to people who can show that they own things: and so in this society, owning certain kinds of consumer goods show that you are worthy of respect. This is presumably why the 2011 census found that around 1m households own a television but not a fridge - people who own a TV enjoy higher status than those who keep their food fresh. If people can't afford the goods needed to earn respect, and they have jobs (and sometimes if they don't), they borrow to buy them, even if they cannot afford to repay. Second, it is now widely accepted that black salaries and wages are distributed among unemployed family, who are of course excluded from the club. This places pressure on wages and makes industrial bargaining more difficult.

The patterns of our cities also reflect the past. Suburbs are not as white as they were (although, as voting figures show, they remain largely the preserve of racial minorities). But apartheid patterns, which drove the black poor onto the edges of the cities, far from the economic action, continue, enforced now not by bureaucrats but by land markets - affordable land for public housing is almost always on the margins of cities.

The political and social patterns of the past also continue. In the suburbs, people vigorously exercise their democratic rights - so much so that to say anything positive about government in these areas is to invite scorn. In the townships and shack settlements, local power holders guard their turf, sometimes using force to silence independent voices - the experience of the shack dweller movement Abahlali basemjondolo, which faced severe violence after challenging the authority of local power holders in Durban, is only one example. The suburbs may vote for the opposition - but they still enjoy better services and access to local government than the majority who vote for the governing party because

their residents, like middle class people everywhere, know how to ensure that their voices are heard.

All this should sound familiar to those who remember life under apartheid. Then too the poor were forced onto the margins of the cities. Then too to live in a suburb was to enjoy better services and much greater freedom to speak.

Even within the club, if many of its new black members are to be believed, the patterns of the past continue since the white members enjoy a status which blacks who have been admitted are denied. Many in the black middle class, although they enjoy qualifications, job and incomes which were denied their parents and grandparents, are among the angriest South Africans because they complain that their qualifications have not brought them equal treatment from white businesses and professional practices. The fond fantasy that the growth of a black middle class would dull the edges of racial conflict or end it has not been realised – the key fault line of the past, race, remains a powerful source of division.

None of this means that nothing has changed since 1994. But it does confirm the point made earlier – that the essential patterns of the past remain and that they continue to block progress.

### The Politics of Fitting In

These trends could be seen as a sign that the country is changing, but not fast enough. After all, in any society, it usually takes decades for social and economic change to catch up with its political equivalent.

But two factors suggest that the problem is not that change takes time but that the old ways survive in a new guise. The first is the way in which politics and trade unionism have become not a challenge to minority control but a way into it – the second is the degree to which attitudes which underpinned the exclusion of the past survive into the present.

On the first score, politics since 1994 has often been about the terms under which those who led the struggle against minority rule are fitted into its economic and social structure. Black economic empowerment is often not about creating new sources of power and

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opportunity, but about the terms under which those who fought the system will be allowed into the economic elite. The old business leadership wants black partners – but far too often the criterion for admission is not skills and talents but political connections.

This has weakened democratic politics, particularly those of the governing party. Because access to the club is limited – and available first to those who have political connections – the ambitious predictably seek political office in the hope of accessing not only the public resources on which media commentary dwells but private wealth too. Corruption in post-apartheid South Africa is not simply a public sector problem – it is a public-private partnership. It is not, as the owners of private wealth often imply, a threat to the club but a means of ensuring its survival.

ANC documents repeatedly lament the heightened internal conflict which this brings and the corroding effect of money on internal democracy. And so,

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in a sense, the governing party is itself a victim of that which it once fought to dismantle.

The trade union movement, which seeks to project itself as an antidote to these patterns, has increasingly become part of the problem. Research has shown how unionism has increasingly become a ticket into the middle class and middle management: union investment companies are a vehicle for fitting into the reigning economic arrangements, not changing them. These trends underline the degree to which even those who publicly challenge arrangements after 1994 have slotted into that which they claim to oppose.

### Prisoners of the Mind

On the second score, the framework through which the society’s priorities are viewed is that of the old elite – not necessarily that which governed after 1948 but that which the European colonisers brought.

The point is captured by political commentator Aubrey Matshiqi’s observation that the new political majority remains a cultural minority. This does not mean simply that whites dominate culturally – although that too is often a reality. It means, rather, that the view of the white suburban elite prevails, partly because it is now shared with others.

Media thus reflect the world view and experience of the suburban middle class, largely ignoring the perspectives and experiences of most citizens. The society’s difficulties are blamed not on deep-rooted problems embedded in the past, but the misdeeds of the governing party and its leadership since 1994. And the assumptions which reign in the media, the academy and the professions are those which assume, as the political philosopher Rick Turner observed, “that ‘western civilisation’ is adequate, and superior to other forms, but also that blacks can, through education, attain the level of western civilisation”.

Some of this is obvious – a frequent tendency to judge South African democracy by the standards of a largely fictional and idealised version of ‘Western democracy’, such as the claim in a recent radio debate that the



United States, where the unrestrained effect of money on politics has placed democracy in jeopardy, is a society 'in which people have a voice'; or a tendency to assume that when black African voters support the governing party they do so out of ignorance while white voters' choice of the opposition is a rational calculation; or the routine failure to acknowledge the voices and experiences of the majority in townships and shack settlements unless they engage in protests which disturb the ordered world of the middle class – the demonstrations are routinely explained away as 'service delivery protests', excusing opinion-formers of the need to find out what they are really about.

A less obvious but equally important example is the 'job creation debate'. Across the spectrum, the elite is much given to debating how their proposals can create millions of formal jobs. This assumes that it is possible to include every adult in the formal working world of the club's members, which is surely impossible given a growing mismatch between the number of workers required by the formal economy and the number of job seekers. It assumes too that the only possible form of employment is in the formal sector, so ignoring the many in townships and shack settlements who make a living on the streets and in backyards. The assumption that 'real work' occurs only in the air conditioned offices of the 'civilised' prevents a discussion of how to support the economic activity outside the formal workplace which will offer the only route to a productive life to millions.

And so the fantasy that all can enjoy the world of work with which club members are familiar prevents a debate on the real issue – how to ensure that people earning a living in the environments which the majority know, earn a decent living and contribute to the economy. This illustrates the wider problem – that many of the society's mainstream debates are about how to divide up the resources of the club and what its membership rules should be. They are rarely about how to open the club to all. And that ensures that job creation is not the only issue on which opportunities to find workable

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#### **The Necessity to Negotiate**

What might enable us to ensure that the benefits of club membership are open to all?

For some, of course, the solution is

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to tear up the compromise of 1994 and the constitution it produced because it is said to have changed nothing. But much has changed – many South Africans have acquired opportunities which they understandably do not wish to lose. And the freedoms guaranteed by the constitution are not part of the problem – they are part of the solution because they offer real rights which might enable those excluded from the club to claim a place in it. And so the challenge is not to dismantle what has been built over the past two decades – it is, rather, to include all of us in it.

This means that change has to be negotiated, rather than imposed – if it is simply forced on those who currently benefit from the club, this will deprive the society of much of what it needs to move forward.

For some, this means giving in to those who enjoy privileges. But, as the history of negotiation in this society shows, this ignores the reality that real bargaining does not rubber stamp what exists – it changes it. Real negotiation on how to change our current path would not be a love fest between parties chanting the usual clichés about how much they have in common – it would be a tough process in which parties would try to give as little as possible and gain as much as they can. But, because it would require compromise, it provides the only prospect of retaining what the society needs to keep while discarding the patterns which exclude so many.

In theory, this process could be started by any of the key economic actors. In practice, only the government seems currently to accept, at least in principle, that a new path is needed. Not only is it the actor which is most directly affected – it could be argued that the fact that we remain stuck on the same path is the greatest failure of the post-1994 government.

And so whether we negotiate a new path or not depends currently on whether those who govern can begin the process. Whether we have a chance to negotiate a fairer and more productive direction will therefore depend on whether the government is able to develop a workable strategy for negotiation and can make it stick. ■